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ABSTRACT

This report traces the history of the collection of programs for disadvantaged students known as the TRIO programs and federal student financial aid policies, and finds that national efforts to equalize college opportunities have been losing ground for the past 15 years. The report cites, for example, a study showing that in 1994 a student from a high-income family was 10 times more likely than a low-income student to have earned a degree by age 24. The report then explores the reasons for these disparities, finding that first of all, college has become less affordable. Another finding is that the share of family income required to pay for college has increased, and that student financial aid has failed to close the gap. Also noted are shifts in student aid policies that make eligibility more diffuse, and the move from a grant-based to a loan-based system. In summary, the report presents a checklist of what needs to be done to help disadvantaged students pay for college, including: getting costs and prices under control; restoring need-based standards; finding alternative financing for at-risk students; restoring the value of Pell Grants; expanding precollege outreach; and, finally, focusing on student success rather than student access. Eight figures summarize trend data on which the report was based. (CH)

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College Opportunities and the Poor:

Getting National Policies Back on Track

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College Opportunities and the Poor:

Getting National Policies Back on Track

Lawrence E. Gladieux

The College Board

Founded in 1900, the College Board is a national, nonprofit membership association of schools, colleges, and other educational organizations working together to help students succeed in the transition from school to college. The Board meets the diverse needs of schools, colleges, educators, students, and parents through the development of standards of excellence; by providing programs and services in guidance, assessment, admission, placement, financial aid, and teaching and learning; and by conducting forums, research and public policy activities. In all of its work, the Board promotes universal access to high standards of learning, equity of opportunity, and sufficient financial support so that every student has the opportunity to succeed in college and work. The Washington, D.C. office of the College Board sponsors and publishes policy analysis pertinent to these values and issues.

The Center for the Study of Opportunity in Higher Education

The Center for the Study of Opportunity in Higher Education conducts and disseminates research to encourage policy makers, educators, and the public to improve educational opportunities and outcomes of Americans from low-income families. The Center is the first major institute to specifically examine issues that affect whether the majority of talented low-income Americans with college potential receive encouragement and opportunity to pursue a college education. The Center conducts independent research on educational opportunity programs, governmental policies, and postsecondary institutional practices that affect the ability of low-income and minority youth and adults to enter and succeed in college.

The TRIO Programs

Established in 1965, the federally-funded TRIO Programs (Upward Bound, Talent Search, Student Support Services, Educational Opportunity Centers, and the Ronald E. McNair Post-Baccalaureate Achievement Program) help students to overcome class, social, academic and cultural barriers to higher education. TRIO services include: assistance in choosing a college; tutoring; personal and financial counseling; career counseling; assistance in applying to college; workplace and college visits; special instruction in reading, writing, study skills, and mathematics; assistance in applying for financial aid; academic assistance in high school or assistance to re-enter high school.

These programs are funded under Title IV of the Higher Education Act of 1965 and currently serve nearly 700,000 Americans, between the ages of 11 and 27, from families with incomes under $24,000 where neither parent graduated from college. Forty-two percent (42%) of TRIO students are White, 35% are African-American, 15% are Hispanic, 4% are Native American and 4% are Asian. Sixteen thousand TRIO students are disabled and there are 25,000 U.S. Veterans currently enrolled in these Programs.

Over 1,200 colleges, universities, community colleges, and agencies now offer TRIO Programs in America. TRIO funds are distributed to institutions through competitive grants. Although 11 million Americans critically need the services of TRIO Programs, federal funding permits fewer than five percent of eligible youth and adults to be served.

Project Origins and Acknowledgments

This collaborative project results from discussions between the College Board and the National Council of Educational Opportunity Associations in Washington, D.C. on the declining affordability of higher education, its impact on the least advantaged in our society, and implications for public policy. The intent was to put a spotlight on relevant trends and issues for both the education community and policy makers.

The idea for such a publication originated with the NCEOA's financial aid subcommittee, chaired by Ann S. Coles, senior vice president, Education Information Services, The Education Resources Institute (TERI) in Boston, MA. Arnold Mitchum, executive director of the NCEOA, and John Childers, vice president of the College Board, convened a joint project planning group that included Ronee McLaughlin, director, NCEOA Center for the Study of Opportunity in Higher Education; Jacqueline E. King, associate director for policy analysis, The College Board; and Paulette Morgan, director of the College Board's Washington, D.C. Educational Opportunity Center.

An initial version of this paper was presented at the NCEOA policy seminar in March 1996.

SOME COMMON HISTORY: TRIO AND STUDENT AID

The TRIO movement and federal student financial aid policy are closely intertwined historically and conceptually. On the financial aid side, one can trace antecedents of today's policies back to the National Defense Education Act, the GI Bill, and even (in the case of College Work-Study) student work programs set up under the New Deal of the 1930s. However, the primary foundation for current policies is the Higher Education Act of 1965. Title IV of that act embodied the first explicit federal commitment and strategy for equalizing college opportunities for disadvantaged students. The Title IV strategy had two elements:

- need-based assistance, primarily grants, to remove barriers for students from families without the ability to pay the tuition and other costs of attendance in higher education; and
- student outreach and support programs like Upward Bound and Talent Search, designed to identify and encourage access for "college-able" students who were poor.

Later enactments rounded out what we know today as the Title IV financial aid programs, on the one hand, and the TRIO programs on the other. But the 1965 legislation was the founding charter, and it made clear that financial aid was not enough to get the job done.

Congress underscored this point when it included a special requirement in the original authorization for Educational Opportunity Grants: colleges wishing to receive an allocation under this new program—the first-ever need-based federal scholarship program—were required to make "vigorous" efforts to identify and recruit students with "exceptional financial need." As it turns out, the old Office of Education had a difficult time figuring out how to enforce or even monitor implementation of such a requirement by institutions, so this provision was dropped from the statute.

Obviously, Congress recognized that financial aid alone would not open the doors of higher education to all who are

qualified. Information, counseling, outreach, encouragement, academic support—all the services TRIO has come to represent—were also seen as critical to equalizing opportunity. The success of student aid programs, in fact, would hinge in part on the success of such outreach.

Then and today, the reverse is also true: The success of TRIO depends to a great extent on the adequacy and effectiveness of student financial aid. TRIO participants won't succeed if the aid isn't there to help them finance college and complete their programs.

WHAT HAS BEEN ACCOMPLISHED?

Thirty years and hundreds of billions of dollars later, what can we say about the results of this national effort to advance equal opportunity through higher education?

Most indicators tell us we are losing ground in the effort to equalize college opportunities and have been for most of the past 15 years. Here are the conclusions of three researchers who have done in-depth analysis of trends in educational access and attainment:

- Tom Mortenson looks at college participation by family income, 1970 to 1994, and finds: "We have not only failed to achieve equality of higher educational opportunity, but the gains made in the 1970s have been completely erased in the 1980s and 1990s and by the 1990s we have achieved greater *inequality* of higher educational attainment than has existed at any time in the last 25 years of reported Census data." [1]

- Jerry Davis looks at participation rates by family income quartiles using a combination of U.S. Census data and self-reported student data from the American Freshmen National Norms survey. He concludes, less dramatically but similarly: "We can say that great strides were made toward enhancing access to college for middle- and lower-income students between 1966-67 and 1981-82. Since then we have lost ground. We are further away from achieving the "access" goal now than we were at the beginning of the 1980s." [2]

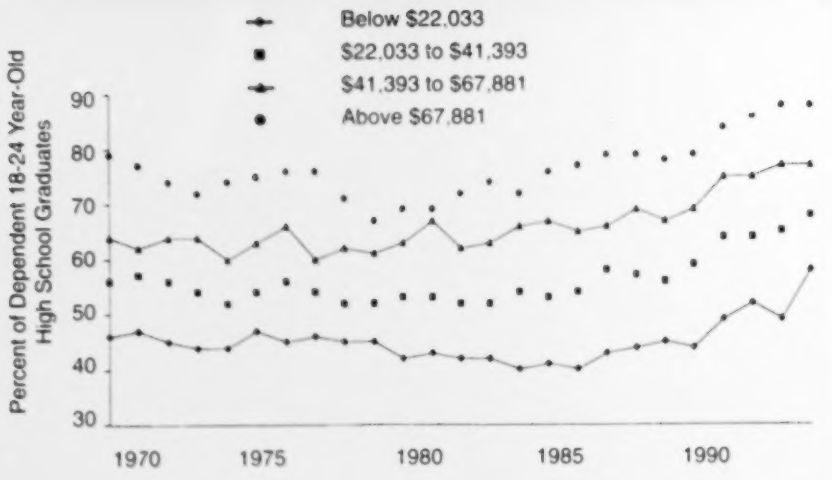
- Michael Mumper concludes: "Clearly, in spite of substantial government efforts, the goal of insuring universal access to college is slipping further and further away."[3]

You might read these pronouncements and ask: "Have policies really failed to this extent? Haven't we made progress in recent decades? Isn't American higher education much more diverse than it was in the 1950s and 60s?" It surely is. Today's student body is far more inclusive—socio-economically, by income and by race—than it was 30 years ago.

There's no doubt that federal aid has helped millions of people go to college who otherwise might not have had the chance to do so. In fact, the United States invests more in and extends the opportunity for higher education to a larger share of its population than any country in the history of the world. Over the past quarter century, as illustrated in Fig. 1, college participation rates have gone up for *all* income groups.

The problem—also illustrated in Fig. 1—is that huge gaps persist in who benefits from higher education in America, and

Figure 1: COLLEGE PARTICIPATION RATES by Family Income Quartile



that's what comes through in the work of the researchers cited. Most groups have made gains in access to the system, but that doesn't mean opportunities have been equalized. The data suggest we were making measurable progress in closing gaps by race and income in the late 1960s and 1970s. But the story since then has been one of losing ground. The gaps are widening. Mortenson marks 1979 as the end of the "equity era."

Keep in mind that progress, or lack of it, must be evaluated not just by participation rates but by educational attainment. What's important is not just getting students in the door but helping them persist and get their degrees. And by the measure of degree completion, the trend over the past decade and a half is even more in the wrong direction. By Mortenson's analysis, in 1979 a student from a family in the top income quartile was *four times* more likely to have received a bachelor's degree by age 24 than a student from the bottom income quartile. In 1994 the student from the high-income family was *ten times* more likely than the low-income student to have received a degree by age 24.

Why is the goal of equity so elusive?

Why haven't we done better? Why do such disparities stubbornly persist? About one part of the problem there is no doubt: college is becoming less affordable. All the pertinent economic trends have turned against college affordability in the 1980s and 1990s.

Fig. 2 traces tuition growth, adjusted for inflation, over the last 25 years. In the 1970s, in fact, there was no real growth in college prices; tuition remained essentially flat in all sectors of higher education during this decade. But around 1980 prices charged by both public and private four-year institutions started a 15-year spiral that shows few signs of abating. Overall, tuition has risen annually by more than 8 percent during this period, while annual growth of the consumer price index has averaged about 4 percent. Private college tuition rose most precipitously in the early and mid-1980s, while the price of public higher education increased most sharply in the early 1990s, rising at three times the rate of inflation as the economy and tax revenues declined in most states.

Figure 2: TUITION GROWTH
Adjusted for Inflation

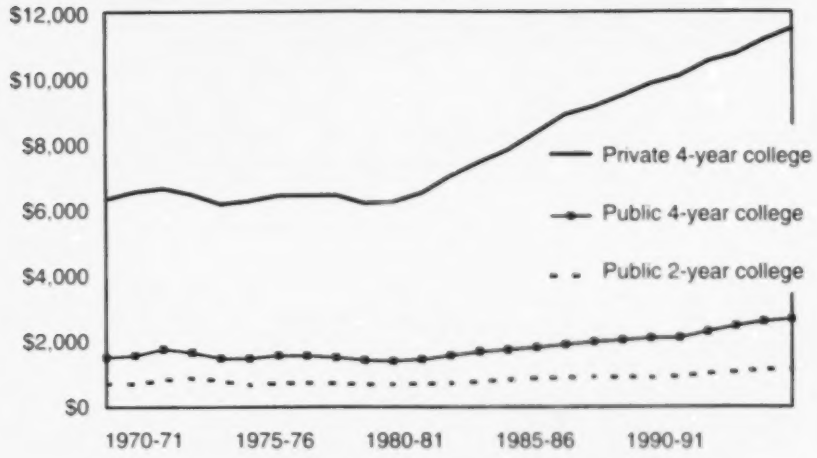


Figure 3: 15-YEAR CHANGES IN TUITION, FAMILY INCOME AND STUDENT AID
Adjusted for Inflation

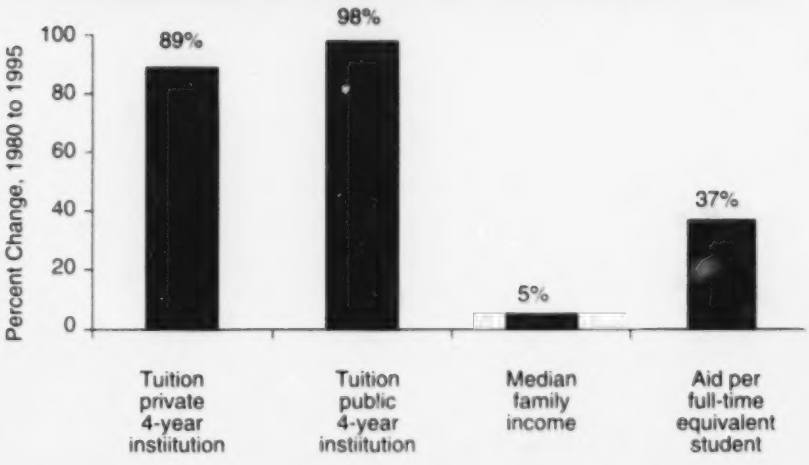


Fig. 3 compares the growth of tuition, family income, and student aid since 1980. While tuition has risen nearly 90 percent at private and 100 percent at public institutions, median family income has been stagnant, growing only five percent in the past 15 years. But median income tells only part of the story, because incomes have grown steadily less equal during the 1980s and 1990s. This has put low-income students and families at an increasing disadvantage in paying for college compared to high-income students and families. As indicated in Figs. 4 and 5, the share of family income required to pay college costs has increased for all families, but it has gone up the most for those on the bottom rungs of the economic ladder.

Student financial aid, meanwhile, has failed to close the gap between family income and college costs. The real value of total aid available to students ***has*** increased since 1980, but not enough to keep pace with growth in tuition levels or in the eligible student population. Moreover, the underpinnings of student aid policy have shifted over the past quarter century:

- The primary federal focus has evolved from helping students who "but for such aid" would not be able

Figure 4: COST OF ATTENDANCE AT PUBLIC INSTITITIONS
As a Share of Family Income

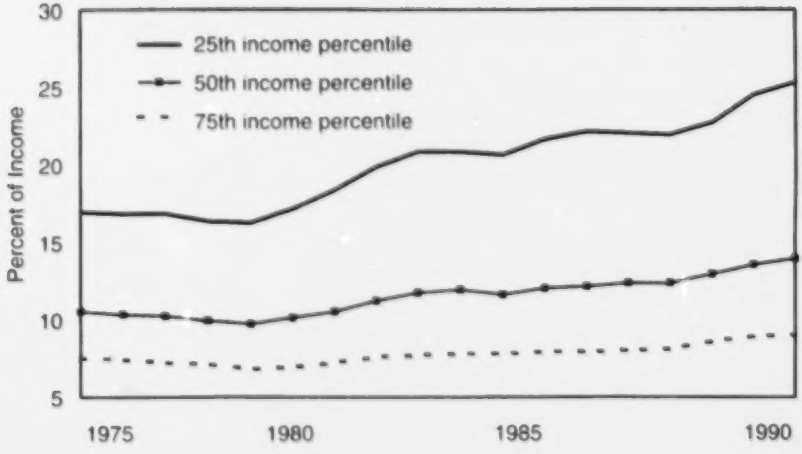
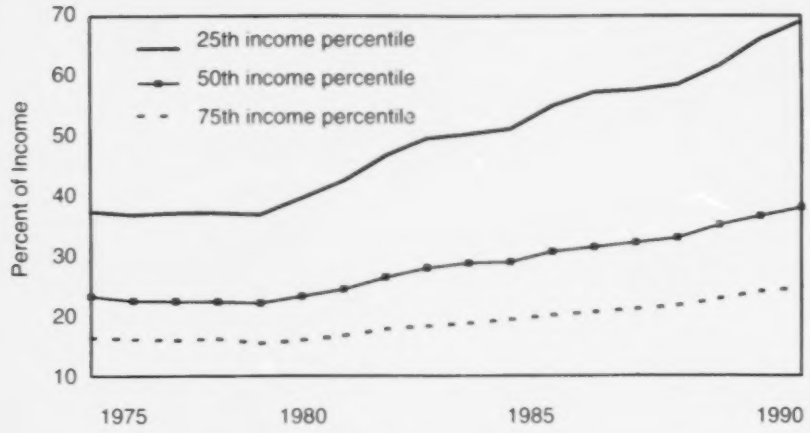


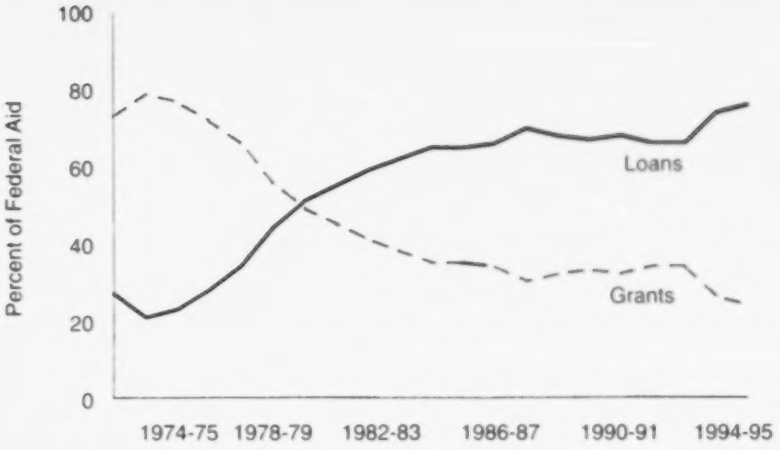
Figure 5: COST OF ATTENDANCE AT PRIVATE INSTITUTIONS
As a Share of Family Income



to attend college, to relieving the burden for those who probably would go without such support. The antipoverty origins of the 1960s legislation have faded into history as eligibility for federal student assistance has gradually been extended up the economic scale. While TRIO programs have remained targeted on low-income groups, eligibility for financial aid has become much more diffuse.

- At the same time, student aid has evolved from a grant-based to a loan-based system, with loans now providing by far the most aid (see Fig. 6). In 1994-95, federally sponsored programs generated more than $25 billion in student and parent loans, over four times the size of the Pell Grant program that was meant to be the system's foundation. Even those who are most at-risk—low-income students, students in remediation, students taking short-term training with uncertain returns—increasingly must borrow to gain postsecondary access.

Figure 6: LOANS AND GRANTS
The Shifting Balance of Federal Aid



Thirty years ago federal legislation created need-based grants and TRIO for the disadvantaged, while helping middle-class families with minimally subsidized loans of convenience. The policy drift since then has, in effect, stood that original commitment to equal opportunity on its head.

WHAT NEEDS TO BE DONE?

How can we start getting things back on track? How can we regain momentum toward a system that is affordable and equitable? National economic policies that restore wages to real growth and curb the growing disparities in the distribution of income would certainly help. But sticking to education policy and practice, here is my checklist for what we need to address:

Get college costs and prices under control. We need to be concerned not only with how students and families can afford a college education, but also with the other side of the equation: how colleges can provide it at lower cost. Making college af-

fordable again will depend at least as much on restraining the growth of tuition and other charges as on providing more aid.

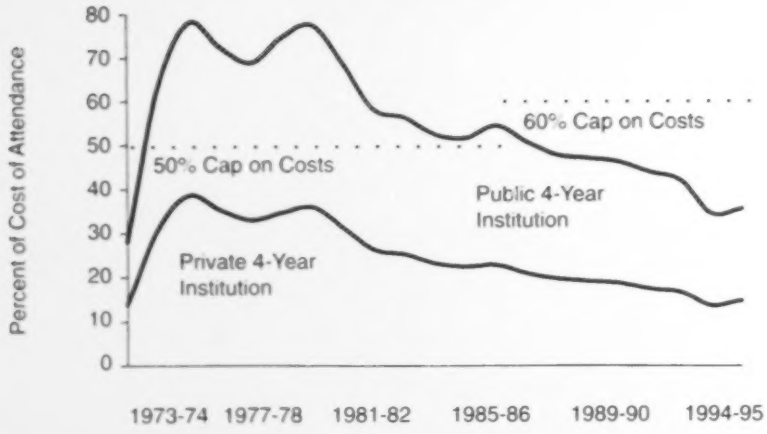
Restore need-based standards. We need to refocus subsidies on the neediest students. While the broadening of eligibility has popularized aid programs with the middle class and strengthened the political base of student aid, the shift has diluted federal assistance for low-income students. Scarce dollars have shifted up the income scale, at the expense of more disadvantaged students and families.

Find alternatives to loans for at-risk students. For those who complete their degrees, the economic returns to college are generally high, and debt levels are manageable for most. But we must question the wisdom of loan financing—and find alternatives—for some: low-income students unfamiliar with and liable to be deterred by debt, first-generation students struggling to survive academically and financially, and students training for low-paying fields.

Restore the purchasing power of Pell Grants. When Congress created Pell Grants, they were to be the main building block of federal policy to help low-income students attend and complete higher education. And the early experience of the program was promising. In retrospect, the constant-dollar value of the Pell Grant was at its peak in the mid-1970s, and its availability no doubt contributed to the bit of progress we made during that period in closing gaps in college access. Since then, the maximum Pell has steadily lost purchasing power and dwindled in significance relative to the cost of both public and private higher education (see Fig. 7).

Expand precollegiate outreach. Not only do we need to address the economic issues listed above, we also must reach out to more disadvantaged young people earlier in their schooling—to widen their horizons, encourage them to stay in school, and make decisions that keep their options open. TRIO programs play a key role in providing such early and sustained intervention, to make college a realistic possibility for more young people from disadvantaged backgrounds.

Figure 7: PURCHASING POWER OF THE MAXIMUM PELL GRANT



Focus on student success, not just access. Just getting students in the door is not enough. Students may, in fact, be left worse off if they have borrowed to finance their studies but do not finish their programs: no degree, no skills, and in debt. We need greater efforts to help at-risk students complete their degrees. Once again, the TRIO community has a big part to play.

If I were to pick a single most important objective we might set for the coming federal budget debates and the higher education reauthorization of 1997-98, it would be restoring Pell to its original promise and purchasing power. Doing so will not be easy. Boosting the maximum Pell award by just $100 requires more than $300 million dollars in added appropriations. That means almost $12 billion—twice the current appropriation—would have been needed to raise the top award from this year's (1996-97) $2470 to the $4300 authorized by law. But the only way I know to regain the leverage and incentive that Pell Grants once represented in the 1970s is to force the maximum upward over time. To make that happen:

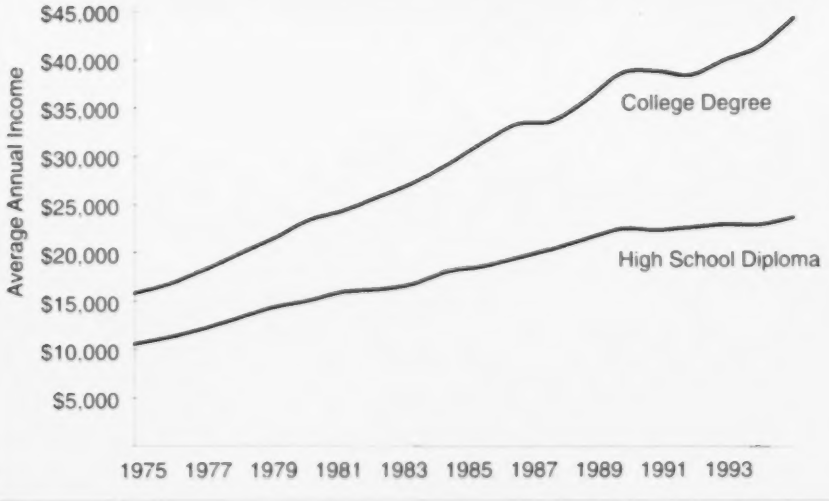
- there will be no substitute for organized pressure and persistence by the education community through the political process, and at the same time

- we may have to confront some tough choices—like rethinking who really should be eligible for Pell Grants.

The stakes in these debates are high. Postsecondary education is becoming more important than ever before—to our economy and competitive position in the world, and to the individual and his/her chances of sharing in American prosperity. The differential between the average earnings of a college graduate and those with only a high school education has been widening throughout the 1980s and 90s. (See Fig. 8)

I can imagine few more vital causes than helping those who otherwise would not have the benefits of a college education. And I can think of no more important dialogue and alliance for advancing this cause than that between the TRIO and financial aid communities. As I have suggested, the legislative underpinnings are one and the same. We are all in this business together, and together we need to advocate public policies that will help close the growing gaps in educational opportunity in our society.

Figure 8: ECONOMIC RETURNS
High School Diploma versus College Degree, 1975-94



Endnotes

[1] Mortenson, Tom. *Postsecondary Education OPPORTUNITY*. Iowa City, Iowa: Number 41, November 1995, pp. 1-2.

[2] Davis, Jerry S. "How Access to College Changed Between 1966 and 1993." Interoffice Memorandum, Student Loan Marketing Association, February 5, 1996.

[3] Mumper, Michael. *Removing College Price Barriers: What Government Has Done and Why It Hasn't Worked*. Albany, New York: State University of New York Press, 1996, p. xvi.

Data Sources

Figure 1: Tom Mortenson, *Postsecondary Education OPPORTUNITY*, Iowa City, Iowa.

Figure 2: U.S. Department of Education, *Digest of Education Statistics*, 1995.

Figure 3: The College Board, *Trends in Student Aid: 1985 to 1995*; U.S. Department of Education, *Digest of Education Statistics*, 1995; Bureau of the Census, U.S. Department of Commerce, *Current Population Reports, Series P-60*.

Figures 4 & 5: U.S. Department of Education, *Digest of Education Statistics*, 1995; Bureau of the Census, U.S. Department of Commerce, *Current Population Reports, Series P-60*.

Figures 6 & 7: The College Board, *Trends in Student Aid: 1985 to 1995*.

Figure 8: Tom Mortenson, *Postsecondary Education OPPORTUNITY*, Iowa City, Iowa. Data are for men only.

Lawrence E. Gladieux is executive director for policy analysis at the College Board. Through his leadership, the College Board's Washington D.C. office has gained a reputation for reliable, independent policy analysis on issues of the high school-to-college transition, college affordability, and equal opportunity for higher education.

He has written articles appearing in the *Chronicle of Higher Education, Academe, Change Magazine, Journal of Student Financial Aid, College Board Review, New York Times, Washington Post,* and *Los Angeles Times.* He is co-author (with Arthur M. Hauptman) of *The College Aid Quandary: Access, Quality, and the Federal Role* (The Brookings Institution, 1995); editor of the book *Radical Reform or Incremental Change? Student Loan Policy Alternatives for the 1990s* (The College Board, 1989); and co-author (with Thomas R. Wolanin) of *Congress and the Colleges: The National Politics of Higher Education* (Lexington Books, 1976).

Gladieux received his bachelor's degree in government from Oberlin College and his master's in public and international affairs from Princeton University. Before joining the College Board, he served as legislative assistant to former Congressman John Brademas of Indiana and on the staff of the council of federal relations of the Association of American Universities.

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